

# REGISTERED APPRENTICESHIP: MONTANA'S SKILLED WORKFORCE

## WHAT IS REGISTERED APPRENTICESHIP?



Registered apprenticeship is a training system that produces highly skilled workers to meet the demands of employers competing in a global economy. It is a proven strategy that ensures quality training by combining on-the-job learning with related technical and practical instruction. Montana is a state registration agency recognized under the national apprenticeship system to register and certify the training of apprentices for Federal, State and Veterans Administration purposes. Programs are registered under national and state industry standards to assure uniformity and consistency of training. The standards establish a planned training program that specifies clear responsibilities for the sponsor/employer, the apprentice, and the registration agency to ensure quality training.

## WHO DOES REGISTERED APPRENTICESHIP SERVE?

In Montana there are some 500 independent program sponsors and 35 joint labor-management training committees that represent over 400 employers, industries and companies that provide registered apprenticeship training to approximately 1,600 apprentices. These programs serve a diverse population, including minorities, women, youth and dislocated workers. Approximately 85% of Montana's registered apprentices are in construction and utility occupations. Registered apprenticeship has the potential to benefit numerous other industries, including health care, service, retail and public sector. The possibilities for expanding apprenticeship – and meeting the needs of many more Montana companies and citizens with high quality training opportunities – are unlimited.

## WHAT INDUSTRIES CAN PARTICIPATE IN REGISTERED APPRENTICESHIP?

- ⌘ Construction
- ⌘ Manufacturing
- ⌘ Telecommunications
- ⌘ Information Technology/Networking
- ⌘ Service and Retail Industries
- ⌘ Public Utilities
- ⌘ Public Sector
- ⌘ Health Care

## WHAT ARE THE BENEFITS OF A REGISTERED APPRENTICESHIP PROGRAM?



For employers, benefits include:

- ⌘ Skilled workers trained to industry/employer and Montana quality standards
- ⌘ Reduce turnover
- ⌘ Pipeline for new workers with current technological skills
- ⌘ Reduce workers compensation costs due to enhanced safety training
- ⌘ Expand market and business

For apprentices and journeyworkers, benefits include:

- ⌘ Jobs that pay higher wages
- ⌘ Higher quality of life and skills versatility
- ⌘ Portable credentials recognized nationally and globally
- ⌘ Higher job security

For Montana, benefits include:

- ⌘ Highly skilled workforce
- ⌘ Increased competitive edge in global economy
- ⌘ System to contribute to and sustain economic growth
- ⌘ Lessened need to import skilled workers

## WHO OPERATES AND PAYS FOR REGISTERED APPRENTICESHIP TRAINING?

Program sponsors pay most of the training costs while paying an increasing wage to their apprentices as they gain skill. For the apprentice, it is like getting paid while going to college on a full ride scholarship. Since the content of the training program is driven by industry needs, the end result is workers with skills that are in high demand.

## WHAT ROLE DOES MONTANA PLAY IN REGISTERED APPRENTICESHIP?



The National Apprenticeship Act authorizes the Federal Government, in cooperation with individual State Apprenticeship Agencies, to oversee the nation's apprenticeship system. They are responsible for:

- ⌘ Registering apprenticeship programs that meet Federal and State standards
- ⌘ Protecting the safety and welfare of apprentices
- ⌘ Issuing nationally recognized and portable Apprenticeship Certificates of Completion
- ⌘ Promoting the development of new programs through marketing and technical assistance
- ⌘ Assuring that programs provide high quality training
- ⌘ Assuring that programs produce skilled competent workers
- ⌘ Providing information to the interested public on the benefits of registered apprenticeship

## WHAT IS THE RETURN ON INVESTMENT FOR THIS PUBLIC EXPENDITURE?



In 2006, 1,308 apprentices earned an average hourly wage of \$15.57 per hour halfway through a four year apprenticeship program and they can expect multiple raises before finishing. This wage calculates to an annual total of \$32,385.60, or \$3,200 more than the average Montana worker. In 2006 registered apprentices earned \$42,360,364 in wages.

In 2006, 1331 apprentices who completed their training in the previous 10 years were still working in Montana and earning \$63,000,000 in wages. This calculates to a retention rate of 83% of apprentices remaining in Montana's workforce. Combined with the existing registered apprentices the total income was \$104,893,804. Conservative economists project that payroll dollars roll over at least four times in a local economy. The wages earned by apprentices and apprentice graduates had a \$420,000,000 economic impact on local economies in Montana.

## REGISTERED APPRENTICESHIP IS A PROVEN STRATEGY.

Apprenticeship is a proven training strategy that increases the skills of our workforce and enhances the efficiency and productivity of our industries. Investment in the registered apprenticeship system is a wise use of public dollars, and pays for itself many times over. As Montana faces a critical shortage of skilled workers, expanding apprenticeship opportunities offer an effective approach to meet the needs of industry; and our citizens in search of high-quality training and good jobs. Employers train apprentices in order to have workers with specific skill sets for jobs that actually exist. Montana workers who complete an apprenticeship stay in Montana and work in good paying and stable jobs and have a higher standard of living. On the average over 85% of completed apprentices are still working in Montana ten years after they have completed their training.

## HOW DO I FIND OUT MORE ABOUT REGISTERED APPRENTICESHIP?

For more information about registered apprenticeships, contact the Montana Apprenticeship and Training Program:

Montana registered apprenticeship programs are operated by private and public sector employers, associations or joint labor/management sponsors.

Apprenticeship and Training Program  
PO Box 1728  
Helena, MT 59624  
(406) 444-3998